

FUTURE FOR FREIGHT

Iowa Freight Advisory Council

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Forward-looking Information

The following presentation contains certain forward-looking information within the meaning of applicable securities laws in both the U.S. and Canada relating, among other things, to Canadian Pacific's operations, priorities and plans, anticipated financial and operational performance, including business prospects, market drivers and outlook, planned capital expenditures, anticipated revenues and the source thereof, programs and strategies (including financing strategies). This forward-looking information also includes, but is not limited to, statements concerning expectations, beliefs, plans, goals, objectives, assumptions and statements about possible future events, conditions, and results of operations or performance.

Forward-looking information may contain statements with words such as "anticipate", "believe", "expect", "plan", "financial expectations", "key assumptions", "outlook", "guidance", or similar words suggesting future outcomes.

With respect to the pending KCS business combination, we can provide no assurance when or if the combination will be completed. Completion of the combination is subject to the receipt of final approval from the STB of the CP-KCS control application by December 31, 2023. There can be no assurance of receipt of this final approval by December 31, 2023 or, if received, the successful integration of KCS.

Undue reliance should not be placed on forward-looking information as actual results may differ materially from the forward-looking information. Forward-looking information is not a guarantee of future performance.

By its nature, CP's forward-looking information involves numerous assumptions, inherent risks and uncertainties that could cause actual results to differ materially from the forward-looking information, including but not limited to the following factors: changes in business strategies; general North American and global economic, credit and business conditions; risks in agricultural production such as weather conditions and insect populations; the availability and price of energy commodities; the effects of competition and pricing pressures; industry capacity; shifts in market demand; changes in commodity prices; inflation; changes in laws, regulations and government policies, including regulation of rates; changes in taxes and tax rates; potential increases in maintenance and operating costs; changes in fuel prices; uncertainties of investigations, proceedings or other types of claims and litigation; labour disputes; risks and liabilities arising from derailments; transportation of dangerous goods; timing of completion of capital and maintenance projects; currency and interest rate fluctuations; effects of changes in market conditions and discount rates on the financial position of pension plans, including long-term floating rate notes and investments; climate change; various events that could disrupt operations, including severe weather, droughts, floods, avalanches and earthquakes as well as security threats and governmental response to them, and technological changes, and the pandemic created by the outbreak of the novel strain of Coronavirus and its variants (and the disease known as COVID-19) and resulting effects on economic

conditions, the demand environment for logistics requirements and energy prices, restrictions imposed by public health authorities or governments, fiscal and monetary policy responses by governments and financial institutions, and disruptions to global supply chains.

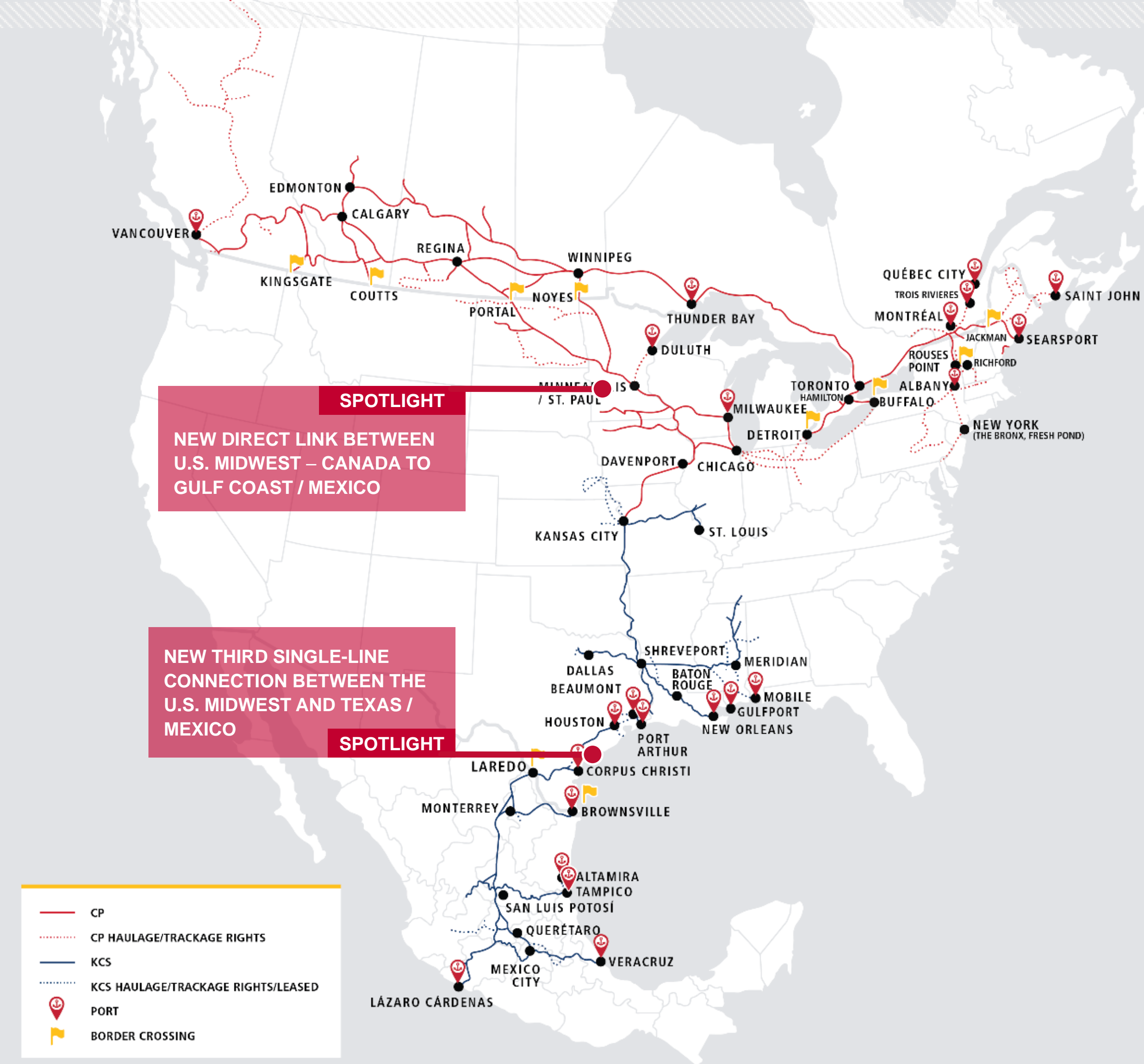
The foregoing list of factors is not exhaustive. These and other factors are detailed from time to time in reports filed by CP with securities regulators in Canada and the United States. Reference should be made to "Item 1A – Risk Factors" and "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations" in CP's annual and quarterly reports filed on Form 10-K and 10-Q, respectively.

Forward-looking information is based on current expectations, estimates and projections and it is possible that predictions, forecasts, projections, and other forms of forward-looking information will not be achieved by CP. Except as required by law, CP undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events or otherwise.

The First U.S. – Mexico – Canada Rail Network

- Enhances and creates **competition**.
- Creates new **single-line** routes.
- **Bypasses Chicago** with connections to new markets.
- **Capacity**: Room to grow.
- Focused on **service**.
- **Listening** to our customers.
- Enables **USMCA growth** and investment.
- Takes trucks **off the road**.

(Note: The CPKC network will exist only after STB approval has been received.
STB approval is anticipated in Q1 2023.)



CPKC Network

SINGLE-LINE RAILWAY
CONNECTING U.S.
– MEXICO – CANADA

20,000-MILE
RAIL NETWORK

UNRIVALED
NORTH AMERICAN
PORT ACCESS

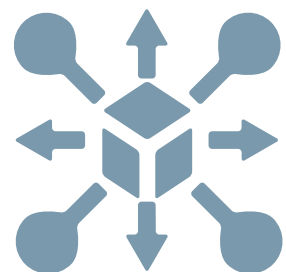


CPKC – The Future for Freight



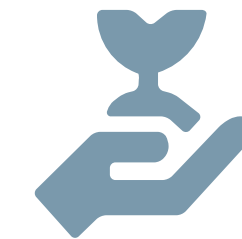
LEADING COMMITMENT TO SAFETY & INNOVATION

Our proposed combination would join two strong performing Class 1s, providing KCS with access to CP's operation expertise, expanding CP's industry leading safety technologies to KCS and installing CP's leading safety culture at KCS.



UNPARALLELED SERVICE & BENEFITS FOR SHIPPERS

A true USMCA railroad, our combined network would offer seamless service throughout the U.S., Canada and Mexico, spurring greater competition and offering new transportation options and services for shippers.



BETTER ENVIRONMENTALLY

We are committed to sustainability and transportation of freight by rail will play an integral role in the low carbon future for North America. Railways represent the most energy-efficient method of moving freight over land, helping to remove trucks from the road. A single train lessens the burden on aging bridges and highways that cost taxpayers' money to maintain and repair.

A SINGLE UNIT TRAIN KEEPS MORE THAN

300

TRUCKS OFF OF PUBLIC ROADS



4x

MORE FUEL-EFFICIENT

75%



LESS GHG EMISSIONS

CPKC – The Future for Freight



SUPPORT FOR CONTINUED ECONOMIC GROWTH

Our combination would add rail capacity that can drive current and future economic growth, providing benefits in communities across North America, including:

- More efficient use of existing infrastructure.
- Expanded and alternative network routes offering more options for shippers of all sizes.



THOROUGH REGULATORY REVIEW

CP and KCS have jointly filed a railroad control application with the STB regarding the proposed transaction to create CPKC. The comprehensive control application provides an overview of the proposed operational integration of the CP and KCS rail networks, the impact of that combination on the companies' finances and labor needs, and the anticipated competitive and other benefits that will flow from providing shippers with new and better transportation alternatives.

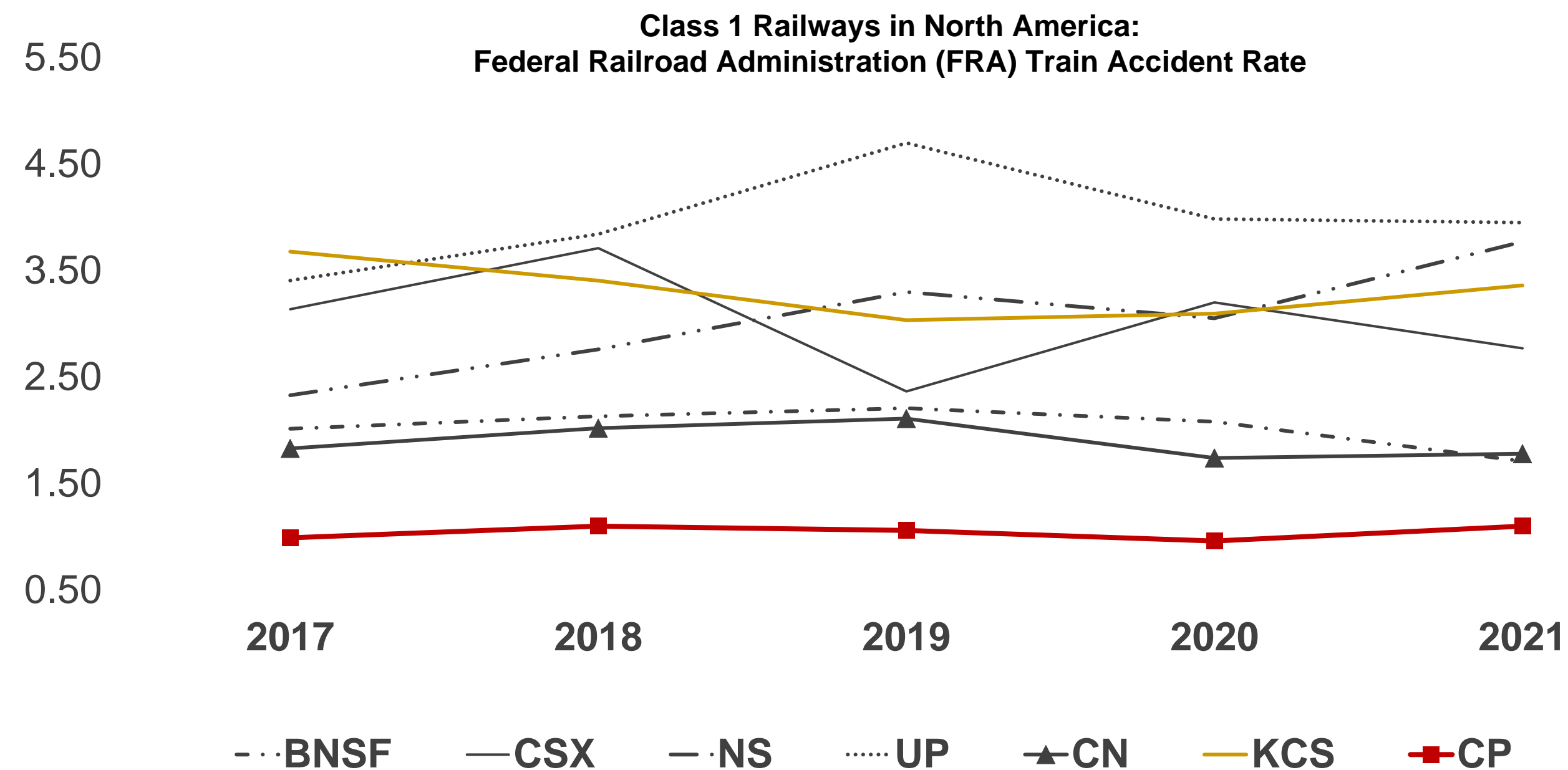
The STB has created a project [web site](#) for information about the board's environmental review of the proposed combination.

During the regulatory review the KCS remains in trust. KCS's management and Board of Directors continue to operate KCS while in trust.

A Leader in Safety

Safety is foundational at CP. We remain steadfast in our commitment to safety, across our entire operation.

- CP has been North America's safest railway for 16 consecutive years. Over the last decade, our train accident frequency has decreased more than 40%.
- Each year CP allocates over 50% of its capital investments toward safety and replacement initiatives to ensure our network remains safe and efficient.

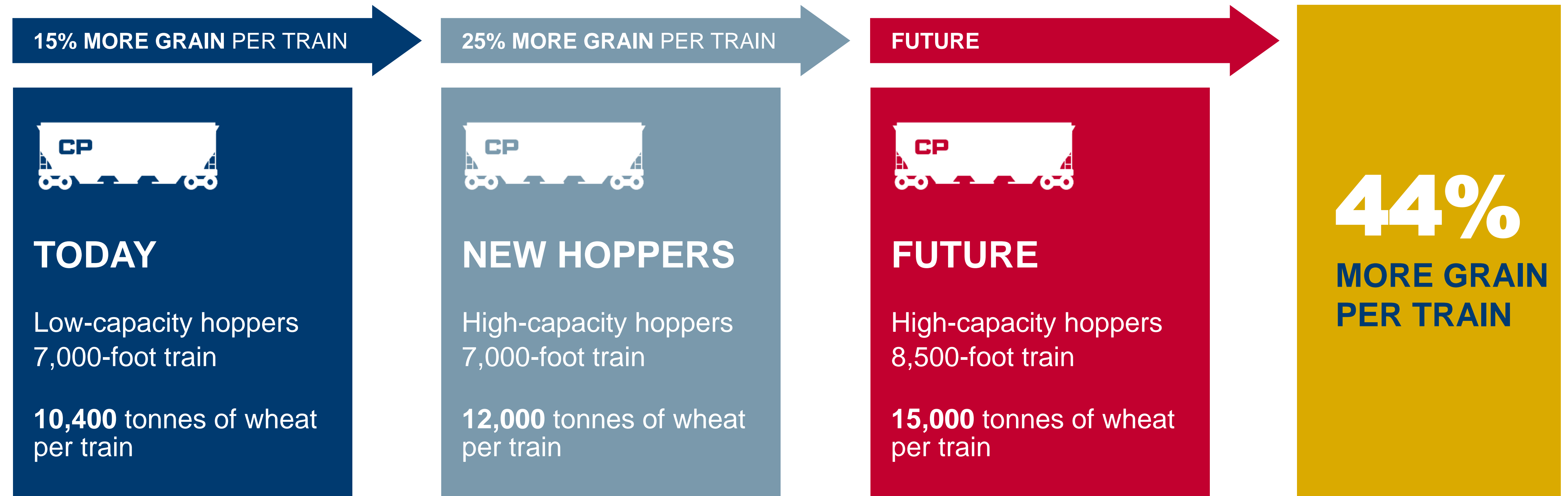


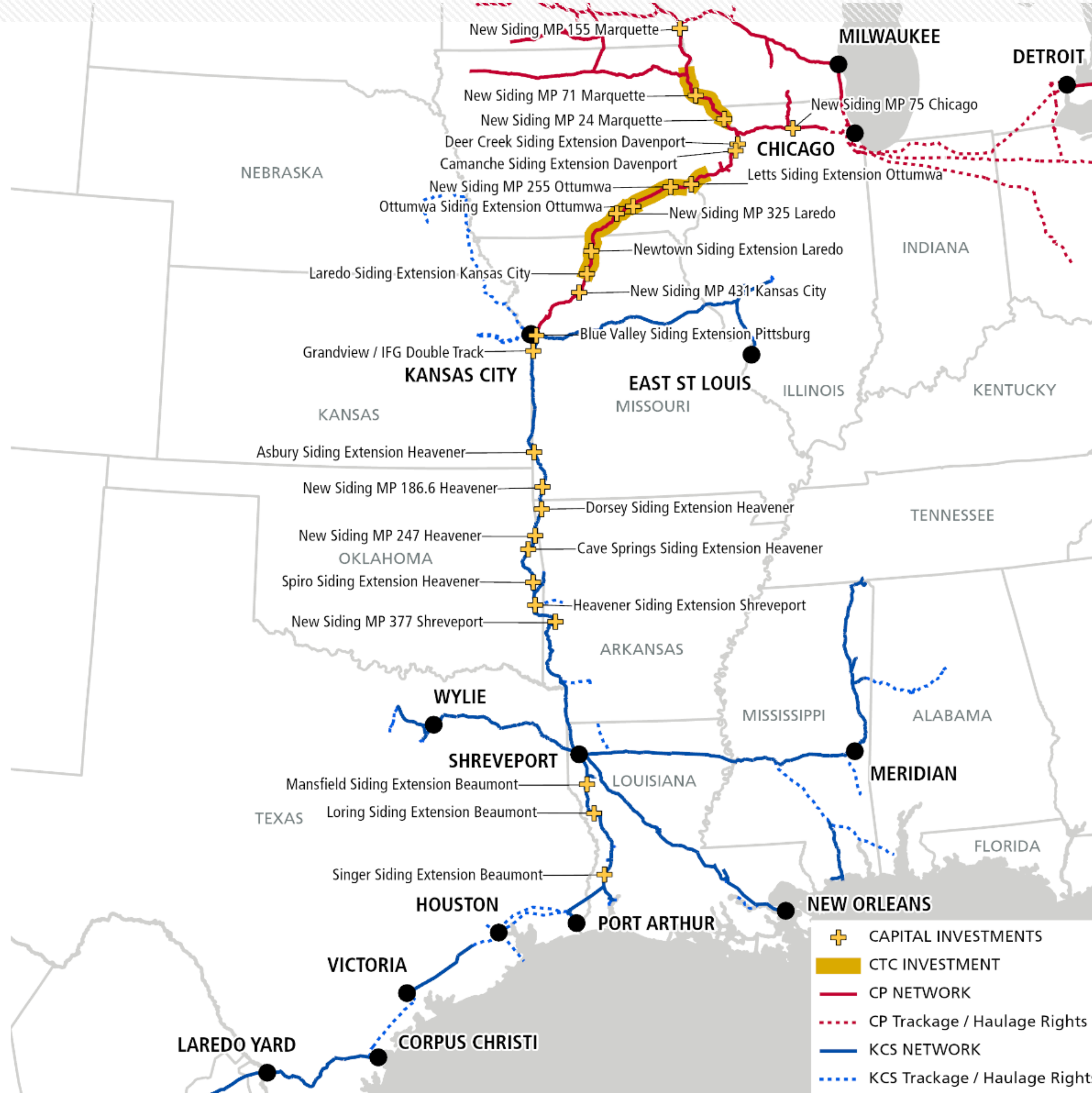
CPKC – Bulk

- Links grain and fertilizer producers and consumers across North America and the World.
- New options for grain receivers on KCS system and new market access for grain producers on CP's network.
- 8,500-foot High Efficiency Product (HEP) drives longer trains, velocity and efficiency.
- Market reach for grain products - DDGs, oils, meals and ethanol to export, domestic and renewable markets.
- Enables investment in crush facilities, grain elevators, Gulf export terminals and Mexico distribution.



The Future of the Grain Supply Chain





CPKC – Capital Improvements

\$275 MILLION INVESTMENT

- New and extended sidings.
- Centralized traffic control.
- Yard and terminal improvements.

**INCREASE SAFETY, CAPACITY,
EFFICIENCY AND FLUIDITY.**

Thank you

